

Filed for intro on 01/31/2000
SENATE BILL 2863 By
Haynes

HOUSE BILL 2756
By Williams (Wil)

AN ACT to amend Tennessee Code Annotated, Section 13-7-110
and Section 13-7-208, relative to the provision of an
adequate facilities tax.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 13-7-110, is amended by designating
the existing language as subsection (a) and adding the following as subsection (b):

(b)(1) The county legislative body may provide for an adequate facility privilege
tax which may be imposed upon any structure for which a building permit is obtained.
The proceeds from the tax shall be utilized for the improvement of the county's public
infrastructure including but not limited to schools, roads, recreation, water and
wastewater facilities. The imposed tax shall be a privilege tax based upon either the
cost of the building permit or upon the square footage of the structure for which the
building permit was obtained. The tax shall be collected at the issuance of the building
permit for the structure being taxed. The tax shall be imposed only after the county
legislative body has held a public hearing thereon and passed a resolution establishing
the tax. The resolution, establishing an adequate facility tax, must be passed by a two-
thirds (2/3) vote of the county legislative body.

(2) The provisions of this subsection (b) shall not affect any adequate facilities tax levied by private act.

SECTION 2. Tennessee Code Annotated, Section 13-7-208(a), is amended by adding the following as subdivision (3):

(3) The chief legislative body may provide for an adequate facility privilege tax which may be imposed upon any structure for which a building permit is obtained. The proceeds from the tax is for the improvement of the municipal public infrastructure including but not limited to schools, roads, recreation, water and wastewater facilities. The imposed tax shall be a privilege tax based upon either the cost of the building permit or upon the square footage of the structure for which the building permit was obtained. The tax shall be collected at the issuance of the building permit for the structure being taxed. The tax shall be imposed only after the municipal legislative body has held a public hearing thereon and passed an ordinance establishing the tax. The ordinance, establishing an adequate facility tax, must be passed by a two-thirds (2/3) vote of the municipal legislative body. This subdivision shall not affect any adequate facility tax levied by private act.

SECTION 3. This act shall take effect July 1, 2000, the public welfare requiring it.